IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

226 CWP-21159-2020 (O&M)
Date of decision: 29.01.2025

Ram Sarup

..Petitioner

Versus

State of Punjab and others

..Respondents

CORAM: HON'BLE MR. JUSTICE AMAN CHAUDHARY

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Present: Mr. Pawan Kumar Goklaney, Advocate,
for the petitioner.

Mr. Amarpreet Singh Bains, AAG, Punjab

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AMAN CHAUDHARY, J. (Oral)

1. Prayer made in the present petition is for directing the respondents to release retiral benefits alongwith 9% interest.

2. The petitioner who was appointed as a Process Server on 01.10.1985 retired from the post of Superintendent Grade-II on 31.03.2020, however, despite there being no proceeding criminal or departmental pending against him, his retiral benefits were not released.

3. The premise of delay having been caused as apparent from the written statement dated 29.11.2022 filed by way of affidavit of Additional Deputy Commissioner, General, Ferozepur, on behalf of respondent Nos. 1 to 3 is of procedural delay caused, which cannot be said to be plausible justification to deny the dues to which the petitioner was entitled, while the Department benefited therefrom. Likewise, with regard to the pension case of the petitioner it has been stated that the same on having been resent is pending with respondent

No.4-Accountant General, which learned State counsel on instructions having been received, states was released on 28.04.2022, however, due to inadvertence the said fact was not stated.

4. Hon'ble the Supreme Court in **State of Kerala vs. M. Padmanabhan Nair**[1] reiterated that "Pension and gratuity are no longer any bounty to be distributed by the Government to its employees on their retirement but have become, under the decisions of this Court, valuable rights and property in their hands and any culpable delay in settlement and disbursement thereof must be visited with the penalty of payment of interest at the current market rate till actual payment."

5. Given the authoritative rulings in **A.S. Randhawa vs. State of Punjab and others**[2]**,** and **Vijay L. Mehrotra vs. State of UP**[3], it is indisputable that a retiree is entitled to compensation for delayed payments, most equitably addressed through interest on the due amount from the date of superannuation, particularly when no valid justification for the delay exists. Full Bench of this Court in **A.S. Randhawa** (supra) emphasized that the retirement of a government employee triggers an immediate entitlement to pension and related benefits, placing a statutory obligation on the State to ensure disbursement within a reasonable timeframe, typically no longer than two months. Failure to do so entitles the retiree to compensation via interest. Similarly in **J.S. Cheema vs. State of Haryana**[4], the court likened such interest to "rent for the usage of money" that rightfully belonged to the petitioner but was unjustly retained and utilized by the State.

6. In view of the above, the present petition is disposed of by directing

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1 (1985) 1 SCC 429
2 1997(3) SCT 468
3 2001 (9) SCC 687
4 2014(13) RCR (Civil) 355

the respondents to release the amounts which may still be outstanding and also pay the interest the rate of 6% per annum thereon besides the retiral benefits already paid from the date it was due till realisation. Needful be done within a period of three months.

(AMAN CHAUDHARY)
JUDGE

29.01.2025
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Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No